

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6947

BILL NUMBER: HB 1370

NOTE PREPARED: Jan 14, 2008

BILL AMENDED:

SUBJECT: State Forests.

FIRST AUTHOR: Rep. Pierce

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: *Sale of Timber from State Forests.* This bill requires the Department of Natural Resources (DNR) to prepare annual statements of proposed removal of merchantable timber from state forests and proposed replanting of trees after the removal of timber.

Environmental Impact Statements. The bill requires an environmental impact statement before the DNR may proceed with the proposed activities. It establishes a procedure for public comment with respect to the proposed activities and the environmental impact statements. The bill allows a member of the public to appeal to the Natural Resources Commission (NRC) a determination of the DNR to proceed with the proposed activities. It prohibits the removal of timber (1) less than 500 yards from a trail in Morgan Monroe and Yellowwood State Forests; and (2) during migratory bird nesting seasons in all state forests.

State Forest Ecologist. It creates the position of state forest ecologist in the DNR and prescribes the duties of the position. The bill establishes a process for the Division of Fish and Wildlife to prepare and implement management plans for threatened or endangered species.

Trails. The bill requires the Division of Forestry to give priority to the establishment in state forests of trails that are for the use of pedestrians only and are located in areas free of development.

Effective Date: July 1, 2008.

Explanation of State Expenditures: *Environmental Impact Statements.* The bill requires the DNR to conduct an environmental impact statement prior to removing timber and replanting trees after the removal of timber. The environmental boards must include in the definition of actions that constitute a major state

action significantly affecting the quality of the human environment the removal of timber and the replanting of trees after the removal of timber. The costs of environmental impact statements would depend on the number and nature of the statements required.

Public Appeal to NRC. The public may comment on DNR reports pertaining to the use of state forests. The impact of this provision will depend on the number of sales of timber that the DNR plans or the number of tree replantings and the public response to these activities.

Trails. These provisions should have no impact.

State Forest Ecologist. The impact of this provision will depend on whether the DNR opts to hire additional staff or reassign an existing employee. Costs for a new employee, including fringe benefits and indirect costs, are estimated at around \$60,000 per year.

The funds and resources required above could be supplied through a variety of sources, including the following: (1) existing staff and resources not currently being used to capacity; (2) existing staff and resources currently being used in another program; (3) authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) funds that, otherwise, would be reverted; or (5) new appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions. The DNR reverted \$1.3 M in General Fund appropriations in FY 2007.

Background. The state forest ecologist must determine migratory bird nesting seasons for purposes of managing threatened and endangered species. The ecologist must also prepare environmental assessments and reports concerning timber activities for each state forest. After considering all comments, the DNR must prepare for each proposed activity a written determination to proceed, delay, or cancel the activity. The DNR must make its determination available to the public. The ecologist must also assist the Division of Fish and Wildlife and carry out other duties assigned by the DNR director. The bill establishes a process for the Division of Fish and Wildlife, with the assistance of the state ecologist, to prepare and implement management plans for threatened or endangered species. The public may submit comments pertaining to the plans.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DNR

Local Agencies Affected:

Information Sources: DNR.

Fiscal Analyst: Bernadette Bartlett, 317-232-9586.